



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

INFORMATIONAL LETTER NO.1257

DATE: July 9, 2013

TO: Iowa Medicaid Psychiatric Medical Institutions for Children (PMIC)

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: PMIC Maximum Reimbursement Rate Effective July 1, 2012

EFFECTIVE: July 1, 2012

Pursuant to the Iowa Administrative Code 441 subchapter 79.1(2), reimbursement for services provided by non-state-owned PMIC providers is limited to 103 percent of the patient day-weighted average costs. This maximum is updated each year once all prior year cost reports have been reviewed and finalized by the IME Provider Cost Audit and Rate Setting Unit (PCA).

Applicable cost reports have recently been finalized, allowing for the calculation of the rate maximum. The new rate maximum effective **July 1, 2012**, is **\$207.02**.

PMIC reimbursement rates effective July 1, 2012, will be updated to the lesser of actual cost per the most recent finalized cost report or the rate maximum in effect as of July 1, 2012.

All claims paid at the old reimbursement rates will be adjusted at that time to update interim payment for services. Final payment is contingent upon desk review of actual cost after the close of the fiscal year.

If you have any questions, please contact the IME PCA Unit at 1-866-863-8610, locally in Des Moines at 515-256-4610, or by email at costaudit@dhs.state.ia.us.